

DEALMAKER OF THE WEEK

Private investor **Rushmore Properties** looks for retail properties nationwide and plans to re-enter the office market after a two-year absence. About \$50M will be used for retail with the remaining \$25M dedicated to office purchases. Open-air community, neighborhood and power centers are sought. The investor hesitated to acquire office properties because, in its estimation, prices were too high relative to the sector's fundamentals, according to Rushmore Managing Principal **Marc Reinisch**.

The investor increases holdings with its recent \$12M purchase of the 162,000 s.f. Prestonwood Place shopping center in Addison, Texas. The property is 60% leased to mostly restaurant tenants, including Steak and Ale and Bennigan's. The suburban Dallas property is part of a larger retail submarket that counts more than 120 restaurants within a quarter-mile radius. The property was constructed in phases during 1983-85. The cap rate is 9% based on in-place net operating income, with reserves.

NOTES: Rushmore Properties, 414 N. Orleans, Suite 210, Chicago, IL. 60610. Marc Reinisch, (312) 755-9411, Fax: (312) 755-9422.